MISSION STATEMENT: To provide an environmentally safe system for collection, treatment, and disposal of sewage and to do so through a user fee based revenue system.

SEWER FUND SUMMARY

		FY 09	FY 10	FY 11	FY 12	FY 13	Change	Percent
	-	Actual	Actual	Actual	Budget	Manager	FY 12 - 13	Change
Operating Revenues	\$	3,695,472	3,592,414	3,751,953	3,497,237	3,726,520	229,283	6.6%
Interest	\$	57,861	22,150	20,559	20,000	20,000	0	0.0%
Grants	\$_	0	0	0	0	0	0	0.0%
SUBTOTAL REVENUES	\$	3,753,333	3,614,564	3,772,512	3,517,237	3,746,520	229,283	6.5%
Borrowing								
Authorizations	\$	0	0	0	0	0	0	0.0%
Available Funds	\$	0	0	0	0	0	0	0.0%
Surplus Funds	\$	0	232,658	248,917	238,399	231,413	(6,986)	-2.9%
TOTAL RESOURCES	\$	3,753,333	3,847,222	4,021,429	3,755,636	3,977,933	222,297	5.9%
	_							
Operating Budget	\$	2,443,740	2,466,101	2,540,695	2,787,591	2,846,789	59,198	2.1%
Gen. Fund Services	\$	302,264						
Debt Service	\$	336,158	327,803	318,533	309,013	308,811	(202)	-0.1%
Capital Program	\$	405,000	373,600	295,000	336,000	486,000	150,000	44.6%
Interfund Transactions	\$_	0	0	0	0	0	0	0.0%
TOTAL APPROPRIATION	\$	3,487,162	3,167,503	3,154,227	3,432,604	3,641,600	208,996	6.1%
Indirect Costs Appropriated	-							
in General Fund	-		306,144	324,691	323,032	336,333	13,301	4.1%
TOTAL EXPENDITURES	\$	3,487,162	3,473,647	3,478,918	3,755,636	3,977,933	222,297	5.9%
	=							

SEWER FUND RESOURCES

GOAL STATEMENT: To provide an adequate amount and proper balance of revenue sources to ensure that the Sewer Fund is completely self-supporting.

LONG RANGE OBJECTIVES:

To maintain projection models to facilitate rate setting.

To plan rate increases to meet long term Fund objectives.

FY 13 OBJECTIVES:

To continue to adequately fund operating and capital needs.

To develop a more defined policy regarding an appropriate reserve level for Sewer Fund Surplus.

SERVICE LEVELS:	FY 07 <u>Actual</u>	FY 08 <u>Actual</u>	FY 09 <u>Actual</u>	FY 10 <u>Actual</u>	FY 11 <u>Actual</u>
Funding Composition (%)					
Operating Revenues	90	98	98	93	93
Interest	3	2	2	1	1
Grants	1	0	0	0	0
Surplus Funds	7	0	0	6	6
Borrowing	0	0	0	0	0

SEWER FUND RESOURCES

	FY 09	FY 10	FY 11	FY 12	FY 13	Change	Percent
	Actual	Actual	Actual	Budget	Manager	FY 12 - 13	Change
Sewer Rates	3,542,299	3,421,315	3,578,934	3,369,237	3,593,520	224,283	6.7%
Sewer Liens	65,250	72,174	67,260	50,000	50,000	0	0.0%
Sewer Entrances	27,083	34,800	40,975	25,000	30,000	5,000	20.0%
Septic Disposal	38,640	36,210	35,265	33,000	33,000	0	0.0%
Sewer Miscellaneous	22,200	27,915	29,519	20,000	20,000	0	0.0%
Sewer Interest	57,861	22,150	20,559	20,000	20,000	0	0.0%
	3,753,333	3,614,564	3,772,512	3,517,237	3,746,520	229,283	6.5%

SIGNIFICANT BUDGET CHANGES:

The overall sewer budget of \$3,977,933 increases by 5.9%, however sewer rates will increase by only 3%. The current sewer rate is \$3.35 per 100 CF and is recommended to increase by \$0.10 to \$3.45 per 100 cubic feet, which would result in a \$12 annual increase (+3%) to the sewer bill of the average four-person household in Amherst. \$231,413 from Sewer Fund Surplus will be appropriated to support this budget. Much of the Sewer surplus will offset a onetime capital expenditure for the purchase of a large piece of equipment, a Vactor truck. The July 1, 2011 Sewer Fund Free Cash balance was \$1,611,219. The Town's water/sewer rates remain below state and regional averages.

4441: SEWER MAINTENANCE

GOAL STATEMENT: To maintain sanitary sewers throughout the Town and provide a 24 hour a day response capability for emergency situations.

RECENT ACCOMPLISHMENTS & CURRENT CHALLENGES:

Installed a new sewer line on Spring Street from Boltwood Ave to South Pleasant Street to replace an undersized line that goes across the Town Common.

LONG RANGE OBJECTIVES:

To accelerate the repair and replacement of defective and undersized sewer lines throughout the collection system.

To continue to improve sewer system mapping using GIS.

To minimize the number of sewer blockages by performing preventative maintenance to the collection system.

To review and update the Town's sewer bylaws to bring them into agreement with new technology and regulations.

FY 13 OBJECTIVES:

To video inspect approximately five miles of sewer lines to determine source of problems and repair or replace as necessary. To continue the sewer flushing, root control, and grease removal programs in the sewer system.

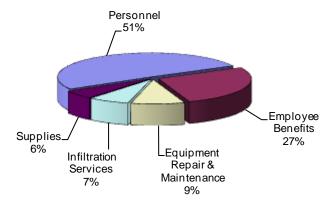
To replace the Town's Vactor truck.

SERVICE LEVELS:	FY 07 <u>Actual</u>	FY 08 <u>Actual</u>	FY 09 <u>Actual</u>	FY 10 <u>Actual</u>	FY 11 <u>Actual</u>
Sanitary sewer complaints	113	106	70	72	79
Sewer main stoppages	21	30	9	21	12
Sewer main flushing (miles)	30	30	34	32	22
Sewer mains treated for roots					
(in linear feet)	5,617	6,240	8,077	6,636	5,041
Sewer maintained (miles)	92	92	92	92	121
T.V.'d sections of problem sewers					
(in linear feet)	10,211	26,342	11,035	25,235	33,927
Feet of sewer rehabilitated	0	0	0	0	20
Feet of sewer replaced	79	150	500	4,570	550
Feet of sewer extended	0	0	0	. 0	1,120

4441: SEWER MAINTENANCE

		FY 09 Actual	FY 10 Actual	FY 11 Actual	FY 12 Budget	FY 13 Manager	Change FY 12 - 13	Percent Change
Personnel Services Operating Expenses Capital Outlay	\$ \$ \$_	53,901 67,731 0	68,853 85,853 0	75,696 84,418 0	87,628 81,267 0	92,569 90,144 0	4,941 8,877 0	5.6% 10.9% 0.0%
TOTAL APPROPRIATION	\$_	121,631	154,706	160,115	168,895	182,713	13,818	8.2%
SOURCES OF FUNDS								
Sewer Revenues	\$	121,631	154,706	160,115	168,895	182,713	13,818	8.2%
POSITIONS								
Full Time Part Time with Benefits Full Time Equivalents		2.00 0.00 2.00	2.00 0.00 2.00	2.00 0.00 2.00	2.00 0.00 2.00	2.00 0.00 2.00	0.00 0.00 0.00	

MAJOR COMPONENTS:



Personnel Services include funds for one maintenance worker and two laborer/truck drivers shared with the Highway budget in the General Fund.

\$49,844 is budgeted for health, retirement, life insurance, and other employee benefits.

Equipment Repair and Maintenance includes funds for renting equipment to pump sewers.

Infiltration Services provide funds for root control and video inspections.

Departmental Supplies provide miscellaneous sewer materials such as pipes, elbows, caps, etc.

SIGNIFICANT BUDGET CHANGES:

Professional services increase in accordance with the collective bargaining settlement reached in 2011. Operating expenses increase by 11% because of an increase in health benefit costs due to more employees electing coverage as well as an increase in the retirement assessment from the Hampshire County Retirement Board.

4440: WASTEWATER TREATMENT PLANT

GOAL STATEMENT: To treat all wastewater discharges to the Connecticut River within Environmental Protection Agency Standards.

RECENT ACCOMPLISHMENTS & CURRENT CHALLENGES:

- Installed two new aerators at the Wastewater Treatment Plant.
- Continued replacing the plant controls and instrumentation with fiber optic and programmable logic computer technology.
- · Repainted primary clarifiers.
- Operated during the October 2011 Nor easter with no sanitary sewer overflows during the prolonged power outage.

LONG RANGE OBJECTIVES:

To investigate and promote water reuse when it is environmentally compatible.

To reduce the amount of leakage into the sewer collection system.

To continue the capital improvement projects at the main treatment plant and 20 pumping stations.

To promote the reuse of treated effluent at the new central heating plant and athletic fields at UMass.

FY 13 OBJECTIVES:

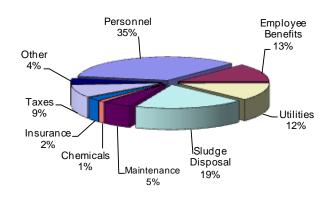
To evaluate the possibility of creating reuse water at the Wastewater Treatment Plant to promote the reuse of treated effluent at the new central heating plant and athletic fields at UMass.

SERVICE LEVELS:	FY 07 Actual	FY 08 Actual	FY 09 Actual	FY 10 Actual	FY 11 Actual
	<u> </u>				
Flow totals (billion gals)	1.45	1.48	1.56	1.43	1.45
Chlorine (lbs)	9,535	9,800	12,496	9,465	11,100
Polymer (lbs)	2,999	2,993	3,079	3,176	3,130
Mass WPC Reports & Federal Reports	12	12	12	12	12
% of tests achieving EPA standards:					
Main Plant	100%	100%	100%	100%	99.9%
Pumping stations operated	20	20	20	20	20
Grit & screenings deposited at sanitary					
landfill (cu.yd)	78	78	69	65	69
Septic waste delivered to plant (loads)	180	292	279	299	247
Gallons of liquid sludge disposed	3,901,000	4,126,500	3,970,600	3,889,900	3,856,100
Tons of dry sludge produced	1,052	1,104	1,130	1,054	1,074

4440: WASTEWATER TREATMENT PLANT

		FY 09 Actual	FY 10 Actual	FY 11 Actual	FY 12 Budget	FY 13 Manager	Change FY 12 - 13	Percent Change
Personnel Services Operating Expenses Capital Outlay	\$ \$ \$	785,719 1,526,557 9,833	848,486 1,452,437 10,471	899,040 1,467,480 14,060	893,051 1,711,645 14,000	921,172 1,728,904 14,000	28,121 17,259 0	3.1% 1.0% 0.0%
TOTAL APPROPRIATION	\$	2,322,109	2,311,394	2,380,580	2,618,696	2,664,076	45,380	1.7%
SOURCES OF FUNDS								
Sewer Revenues Surplus Funds	\$ \$	2,322,109	2,311,394 0	2,380,580 0	2,618,696 0	2,664,076 0	45,380 0	1.7% 0.0%
POSITIONS	*	, and the second	v	ŭ	ŭ	· ·	v	2.276
Full Time Part Time with Benefits Full Time Equivalents		15.50 0.00 15.50	15.50 0.00 15.50	15.83 0.00 15.83	15.33 0.00 15.33	15.83 0.00 15.83	0.50 0.00 0.50	

MAJOR COMPONENTS:



Personnel Services include salaries for the Assistant Superintendent/Water Resources Director (shared with the Water Fund and the General Fund), a division director, a division supervisor, a supervisor/mechanic, a senior crew supervisor, a Water Resources technician, three equipment operators, two mechanics, a laborer and a maintenance workers. The Town Engineer, the Assistant Town Engineer, and an engineer technician are shared with the General Fund and the Water Fund. A utility technician, an environmental scientist, a GIS Administrator, and two electricians are shared with the Water Fund. Also included is \$36,000 for overtime.

\$335,161 is budgeted for health, retirement, life insurance, and other employee benefits.

Operating expenses include \$335,161 for health, retirement, life

insurance and other employee benefits.

Utilities include \$280,000 for electricity, \$35,000 for fuel, and \$5,200 for water.

Maintenance includes funds for repair of facilities, vehicles, and equipment.

Insurance includes building, vehicle, and liability coverage.

SIGNIFICANT BUDGET CHANGES:

Professional services increase in accordance with the collective bargaining settlement reached in 2011.

Operating expenses increase by 1% because of an increase in health benefit costs due to more employees electing coverage as well as an increase in the retirement assessment from the Hampshire County Retirement Board.

GENERAL FUND SERVICES

GOAL STATEMENT: To compensate the General Fund for services provided by various departments.

LONG RANGE OBJECTIVES:

FY 13 OBJECTIVES:

To ensure that all costs related to sewer services are identified and appropriately charged through evaluation and modification of the indirect cost model used to assess charges for General Fund administrative support. To charge the General Fund for services provided.

SERVICE LEVELS:	FY 07 Actual	FY 08 <u>Actual</u>	FY 09 <u>Actual</u>	FY 10 <u>Actual</u>	FY 11 <u>Actual</u>
Number of departments reimbursed Percentage of total Fund expenses	6	6	6	6	6
paid to the General Fund	10	9	9	9	9

GENERAL FUND SERVICES

		FY 09	FY 10	FY 11	FY 12	FY 13	Change	Percent
		Actual	Actual	Actual	Budget	Manager	FY 12 - 13	Change
General Fund Services	\$	302,264	306,144	324,691	323,032	336,333	13,301	4.1%
Transfers to Other Funds	\$_	0	0	0	0	0	0	0.0%
TOTAL APPROPRIATION	\$_	302,264	306,144	324,691	323,032	336,333	13,301	4.1%
SOURCES OF FUNDS								
	_							
Sewer Revenues	\$	302,264	306,144	324,691	323,032	336,333	13,301	4.1%

MAJOR COMPONENTS:

General Fund Services: The General Fund provides services which are used by the Sewer Fund. Transfers are made from the Sewer Fund to the General Fund to compensate for the cost of these services. Additionally, the General Fund uses resources of the Sewer Fund and pays for that use. These payments are netted against amounts owed to the General Fund. Charges for FY 13 are as follows:

Select Board/Town Manager Finance Department Human Resources/ Human Rights Information Technology Public Works Administration Equipment Maintenance Town Hall Debt Rental of Ruxton Space Rental of Garage at Wastewater Treatment Facility	6% of budget 9% of budget 7% of budget 6% of budget 30% of budget 10% of budget	\$ 21,798 111,535 14,436 43,280 124,772 30,076 21,437 (6,000) (15,000)
Rental of Equipment for Catch Basin Cleaning TOTAL		(10,000) (10,000) \$ 336,333

SIGNIFICANT BUDGET CHANGES:

None.

SEWER FUND DEBT SERVICE

GOAL STATEMENT: To provide funds for principal and interest payments for temporary and long-term debt.

LONG RANGE OBJECTIVES:

FY 13 OBJECTIVES:

To make payments on debt incurred to reconstruct Middle Street sewer mains.

To make payments on debt incurred for the Chapel Road/Mechanic Street sewer extension.

To begin payments on Harkness Road sewer extension project.

SERVICE LEVELS:	FY 07	FY 08	FY 09	FY 10	FY 11
	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Actual</u>
Number of issues outstanding	2	2	2	2	2

SEWER FUND DEBT SERVICE

		FY 09 Actual	FY 10 Actual	FY 11 Actual	FY 12 Budget	FY 13 Manager	Change FY 12 - 13	Percent Change
	_							
Principal	\$	290,000	290,000	290,000	290,000	295,650	5,650	1.9%
Interest	\$_	46,158	37,803	28,533	19,013	13,161	(5,852)	-30.8%
TOTAL APPROPRIATION	\$	336,158	327,803	318,533	309,013	308,811	(202)	-0.1%
SOURCES OF FUNDS								
Sewer Revenues	\$	336,158	327,803	318,533	309,013	308,811	(202)	-0.1%

MAJOR COMPONENTS:	<u>Principal</u>	Interest	<u>Total</u>	
Middle Street Sewer Chapel/Mechanic Sewer Sewer Extension	\$190,000 100,00 0 <u>5,650</u>	\$ 3,206 6,000 3,955	\$193,206 106,000 <u>9,605</u>	
	<u>\$295,650</u>	<u>\$13,161</u>	<u>\$308,811</u>	

SIGNIFICANT BUDGET CHANGES:

FY 13 will be the first year of payments for the Harkness Road and Wildflower Drive sewer extension project and will be the last year of payments for the Middle Street Sewer project.

CAPITAL PROGRAM SUMMARY

GOAL STATEMENT: To provide for the maintenance and improvement of the Town's sewer system.

LONG RANGE OBJECTIVES:

To implement a long range Sewer Extension Master Plan consistent with economic development goals of the Town.

FY 13 OBJECTIVES:

To complete the following:

- Replacement Vehicle

Collection System Improvements

- To upgrade several of the waste water pump stations.
- DPW Facility Improvements

Treatment System Improvements.

- To upgrade the WWTP Boiler to a new more efficient system.
- To investigate new generators at several pump stations that use portable generators.
- To upgrade electrical system at the WWTP.

SERVICE LEVELS:	FY 07 Actual	FY 08 Actual	FY 09 Actual	FY 10 Actual	FY 11 <u>Actual</u>
Number of Projects:	Actual	Actual	Actual	Actual	Actual
Departmental Equipment	0	3	0	1	0
Existing Facilities	3	3	4	4	3
New Facilities	0	0	0	0	0

CAPITAL PROGRAM SUMMARY

		FY 09	FY 10	FY 11	FY 12	FY 13	Change	Percent
		Actual	Actual	Actual	Budget	Manager	FY 12 - 13	Change
Departmental Equip.	\$	0	0	0	31,000	411,000	380,000	0.0%
Existing Facilities	\$	405,000	373,600	295,000	305,000	75,000	(230,000)	-75.4%
New Facilities	\$_	0	0	0		0	0	0.0%
TOTAL APPROPRIATION	\$ _	405,000	373,600	295,000	336,000	486,000	150,000	44.6%
SOURCES OF FUNDS								
Sewer Revenues	\$	405,000	140,942	46,083	97,601	254,587	156,986	160.8%
Other Available Funds	\$	0	0	0	0	0	0	0.0%
Surplus Funds	\$	0	232,658	248,917	238,399	231,413	(6,986)	0.0%
Borrowing	\$	0	0	0	0	0	0	0.0%
Grants	\$	0	0	0	0	0	0	0.0%

MAJOR COMPONENTS:	Facilities	Facilities \$20,000 Collection 50,000 Treatment	
	Equipment	5,000 31,000 <u>380,000</u>	DPW Facility Improvements Replacement Vehicle Vactor truck
	Total	\$486,000	

SIGNIFICANT BUDGET CHANGES:

The Capital budget includes purchase of a Vactor truck, which an essential piece of equipment used to clean sewers and storm drains.